

ORDINANCE NO. 5420

An Ordinance to Amend Chapter 25 – Pension and Retirement System of the City of Memphis, Code of Ordinances to Protect Pension Benefits From a General Salary Reduction

WHEREAS, the administration during the Personnel, Intergovernmental and Annexation Committee on August 2, 2011 presented a draft ordinance to modify the pension benefits allowable under Chapter 25 of the City Code of Ordinances; and

WHEREAS, included in such proposed ordinance is a provision that protects the pension benefits of participants of the pension plan from general salary reductions; and

WHEREAS, the Administration believes it to be in the best interest of the participants of the pension plan that this Ordinance be considered and approved by the Council for the sake of protecting employee pension benefits from the impact of a general salary reduction initiated by the Administration or City Council;

NOW THEREFORE.

SECTION 1. BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS, that the definition of "Accrued benefit" included in Section 25-1 of the City of Memphis, Code of Ordinances, is hereby amended to add the following provision:

As of any date, the accrued benefit payable semi-monthly in the form of a single life annuity shall be calculated without regard to any decrease in average monthly compensation resulting from a general salary reduction implemented by the Administration or approved by the Council within any budget ordinance effective after June 30, 2010. If the product of the average monthly compensation and the percent multiplier based on years of service is as of any date less than an amount calculated as of an earlier date (based on average monthly compensation, the percent multiplier and years of service as of that earlier date), the accrued benefit will be no less than the amount calculated as of that earlier date.

SECTION 2. BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS, that this Ordinance shall take effect from and after the date it shall have been passed by the Council, signed by the Chairman of the Council, certified and delivered to the Office of the Mayor in writing by the Comptroller, and become effective as otherwise provided by law.

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THE FOREGOING ORDINANCE # 5420 1st Reading 4-20-11 2nd Reading 10-4-11 3rd Reading 10-18-11	Approved Chairman of Council	Date Signed:	Approved: Mayor, City of Memphis	Date Signed:	I hereby certify that the foregoing is a true copy, and said document was adopted by the Council of the City of Memphis as above indicated and approved by the Mayor.	Comptroller